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AUTHOR Edwards, Deborah Lawson
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ABSTRACT

In 1990, the Dade County Public School System (DCPS) in Dade County, Florida, entered into a 5-year contract with a private company, Educational Alternatives Incorporated (EAI), to manage the educational services at South Pointe Elementary School. This paper presents findings of an evaluation of the DCPS-EAI collaboration at South Pointe. Data were gathered through a review of the contract and other documents; a site visit; and interviews with DCPS administrators, local school board members, teachers union members, and South Pointe principal, staff, and parents. EAI's main objective was to implement its Tesseract educational approach, maintain a student-teacher ratio of 12:1, provide training for teachers, improve student access to computers, and raise educational funds. EAI did not manage the school, but served as an advisor and consultant. Findings indicate that with few exceptions, EAI lived up to the terms of the contract. The Dade County Office of Educational Accountability (OEA) compared South Pointe to a demographically and geographically similar school and found no improvement in student academic achievement. However, OEA also reported that South Pointe showed improved attendance, higher levels of parent and community involvement, and favorable staff attitudes. Interviews revealed a surprising lack of distrust or fear of privatization, which appeared to be due to EAI's advisory role, independent fund raising, and limited contract period. (LMI)

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The Private Management of Public Schools:

The Dade County, Florida, Experience

Deborah Lawson Edwards

General Accounting Office

Washington, D. C.

U.S. DEPARTMENT OF EDUCATION
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The Private Management of Public Schools:

The Dade County, Florida, Experience

In 1990, the Dade County Public School System (DCPS) in Dade County, Florida, entered into a 5-year contract with a private company, Educational Alternatives Inc. (EAI), to manage the educational services at South Pointe Elementary School. Not only was this the oldest and longest-lived private management arrangement in our study, it was also the most unique in many respects.

Our study of the DCPS–EAI collaboration at South Pointe included the examination of the contract and other documents, as well as a site visit to Miami. We spoke with DCPS administrative personnel, local school board members, and members of the United Teachers of Dade (UTD) who had been involved in some way with the awarding of the initial contract. We also visited the South Pointe facility and spoke with the principal, teachers, and parents. Our visit to South Pointe occurred in May 1995; EAI's contract with DCPS expired June 30, 1995.

Background

Dade County Public Schools is among the largest school districts in the nation. At the time of our study, it was the fourth largest in the nation, serving over 300,000 students. The racial composition was about half Hispanic. Of the non-Hispanic students, about two-thirds were black and one-third were white. Fifty-five percent of the school population had a home language other than English.

The school district serves the residents of Dade County's 28 municipalities and its unincorporated area. While it cooperates with public and private institutions and government at all levels, the district is subject only to state statutes. Management of Dade's 284 schools is totally independent of metropolitan and city governments. The metropolitan government collects the school tax for the school district but exercises no control over its use. The district's 1994-95 fiscal year expenditure of $4,773 was somewhat below the national average. The seven-member school Board is elected by county-wide vote to serve overlapping four-year terms. Responsibility for administration of the schools is vested in the District Superintendent, appointed by the Board. The school district is divided into six regions, each with a regional superintendent and administrative staff.

Impetus for Contracting with a Private Company

In the late 1980's, the Florida state legislature authorized a bond issue which enabled the Dade County School District to engage in a large capital construction program involving the building of 49 new schools. In conjunction with this bond issuance, Dade initiated the Saturn Schools Project, a program designed to stimulate a nationwide search for innovative proposals for the operation of these new schools. Proposals were received from teachers, principals and private companies. Of these proposals, only one had been awarded to a private company in 1995 when we carried out our study. This company was Educational Alternatives, Inc., a company growing

out of educational interests of Control Data Corporation and a subsidiary called USSA Private Schools, Inc.

At that time, EAI had experience with operating only two schools, both private. In 1987, the company began operation of a school in Eagan, Minnesota, and in 1988, in Paradise Valley, Arizona, with both using an approach EAI calls the Tesseract way. The "Tesseract" name comes from a child's book by Madeline L'Engle in which she writes about children who take a fantasy trip through a tesseract, a fifth dimensional corridor for traveling to exciting new worlds.

Tesseract is a nurturing, learner-centered approach that encourages a great deal of personalization in meeting the child's educational needs. A Personal Education Plan (PEP) is developed for each child to chart his/her instructional program, with input from both the parents and child. Consequently, instruction focuses on the individual's level of abilities; and progress is assessed thorough narrative discourses, rather than traditional grades. Low student-to-staff ratios are maintained by the use of teaching assistants and paraprofessionals, and a high level of parental involvement is sought.

The Model

The basis for EAI's proposal was to implement its Tesseract educational approach. EAI proposed to develop a school environment built around 4 communities of 144 students, consisting of roughly 24 students of each grade. Company officials believed that the success that Tesseract had experienced in the other two schools was.

to a large degree, the result of the feeling of family and cohesiveness enjoyed in the schools in which it operated. But EAI admitted that South Pointe presented a greater challenge than the other two schools they operated. Not only was South Pointe a larger school, but the community it served was not as cohesive, being a population with a high mobility rate. EAI hoped to overcome these differences by creating smaller communities in which older children would help younger children, and teachers and students would develop closer bonds.

Adding to this small, supportive community atmosphere, EAI proposed to maintain a low student-to-adult ratio of 12:1 through what they referred to as differentiated staffing. EAI's plan called for one certified teacher and one paraprofessional in every classroom of 24 children. The paraprofessional would be provided through an arrangement with the University of Miami which allowed third- and fourth-year college students to serve a paid internship by working in South Pointe classrooms.

In order to implement its instructional approach, EAI agreed to provide training and support for teachers to work in the Tesseract environment. EAI felt that the best way to implement the new educational program was for staff to see it in operation. They proposed that the principal and lead teachers spend time in the Minnesota school, observing and learning. Teachers would also receive training in specific areas such as team building, developing Personal Education Plans, cooperative learning, and a host of other topics to help them implement Tesseract. For training that could not

be accommodated within the district's training sessions, EAI proposed to train the Dade County staff to deliver Tesseract training. By the end of the fifth year of the contract, EAI felt that teachers would be trained well enough and the model implemented to the extent that training and assistance from EAI would no longer be required at South Pointe.

EAI proposed that the full implementation of Tesseract at South Pointe would be a 5-year effort, with year one devoted to planning and year two being the implementation year. EAI described its role in this endeavor as that of a "guide and facilitator." In the first year, EAI worked with the architect to ensure that the building would support the implementation of the educational program. Along with Dade County Public Schools and representatives from United Teachers of Dade, EAI participated in the hiring of the schools principal and lead teachers. Additional training and program components would be added each year until the school could operate on its own in year six.

EAI also offered South Pointe "state of the art" equipment in communications and technology to enhance the educational program. EAI promised that all students, starting in pre-school, would have access to a computer and that students would use the computer system to reinforce skills, learn new skills, and also publish their work. EAI also proposed that teachers have terminals at their workstations that would allow them access to student information.

Because DCPS was providing the school with the same per pupil funding levels provided to other schools in the district, it was necessary that money be obtained from other sources to buy computer equipment, train teachers, and otherwise implement the Tesseract program at South Pointe. EAI agreed to seek to raise $1.4 million for the first three years of the project and an additional $700 thousand dollars for the next two years. This money was to be used to support additional staff (the paraprofessionals), staff training, purchase of specialized instructional materials and equipment, EAI travel and out-of-pocket costs related to the project, and EAI consultation fees. EAI's fund-raising was confined to those foundations, agencies, organizations, and/or other funding sources that were not already sources of revenue supporting then-current DCPS programs or activities. If EAI failed to raise some of the required funds, the impact of decreased funding was to be distributed equally over the various categories of spending. A later contract modification set priorities to the distribution so that in the case of a shortfall, funding would go first toward paying the salaries of the teaching assistants, then to technology-related expenses, and finally, if available, to EAI fees.

In its initial proposal, EAI sought management responsibilities for the school, in addition to implementing the instructional program. The details of this management authority were not spelled out in the proposal. However, DCPS was not willing to relinquish control of other aspects of school management to EAI, and this clause did not appear in the accepted proposal.

Concessions Needed to Implement the Program

In order to implement its program, EAI anticipated that UTD contract waivers would be needed for EAI's participation in the selection of teachers for South Pointe and for issues involving teacher responsibilities and work requirements. Some of these waivers were necessary because the training required to implement Tesseract and the routine operation of the program required teachers to put in more hours at the school than would normally be required. For instance, South Pointe teachers were required to serve additional pre-school year days (EAI estimated up to 15 days more than other DCPS teachers), but received compensation for this additional time. Also, additional staff meetings were required throughout the year. However, such waivers were not unique to South Pointe, but could be applied for by any school with site-based management.

Outcomes Expected

EAI made no specific claims for the outcomes they expected to achieve at South Pointe. However, they pointed to indicators of success in the other two schools run by EAI, such as a high level of parental satisfaction and results on standardized tests. They said that EAI students enjoyed "an average 1.93 grade equivalency gain" in the previous year, and they believed that students at South Pointe would experience similar success. In their final proposal, they simply said "we know the Tesseract Education Program can bring positive educational results to the children of Dade County."

In its final proposal, EAI mentioned the intention to work with the South Pointe team to develop a plan for project evaluation. EAI felt the evaluation should not only be conducted yearly, but also over a longer period of time. EAI also stated its intentions to conduct its own project evaluation, mentioning broad kinds of outcomes, such as educational growth of students, comparison of test scores, and student and teacher attitude surveys. No mention was made of standards or expected gains which would be used to weigh the success of the project.

The signed agreement between DCPS and EAI spelled out terms related to the fund-raising required of EAI (e.g., the amount of money to be raised, what it was to be used for, and what would happen should EAI fail to raise the agreed-upon amount), but was silent on specifics about project evaluation, for instance, what student-related outcomes were expected. In spite of the fact that it was not explicitly stated in the contract, many DCPS administrative personnel and school board members stated that improvement in tests scores was one of the district's expectations.

The Implementation Process

At the time we visited South Pointe, EAI was in the fifth year of this 5-year contract. However, we spoke with a number of DCPS administrative personnel, South Pointe staff, DCPS school board members, and members of the United Teachers of Dade, among others, about their recollections of the implementation process. We found little mention of initial opposition to the idea of a private company managing the instructional aspects of the school and no mention of the strong resistance we

found in other places. Interestingly, when asked about concerns about the DCPS-EAI arrangement, one of the few concerns related to us was not that children in South Pointe might suffer in some way under the Tesseract program, but that they might enjoy benefits not available to other schools in the district because of the additional resources EAI planned to bring into the school. Even after 5 years of EAI involvement in the school, we found few people who voiced objections to the arrangement.

The Outcomes

With few exceptions, EAI lived up to the terms of the contract. The Tesseract instructional program was implemented as specified in EAI's proposal, the staff received promised training, and the school was equipped with promised computer technology. In our interviews with DCPS, the few who voiced opposition to continuing the arrangement with EAI, simply said EAI was no longer needed. That is, the instructional program had successfully been implemented, and these people felt the school was capable of carrying it on without assistance from EAI.

At the time of our study, two major evaluations of the program at South Pointe had been conducted. One was done by Thomas H. Peeler under a 3-year grant from the Southeastern Regional Vision for Education (SERVE). The final report, released in July 1994, focused on two major areas: implementation of the teaching/learning process and the school's academic achievement scores. Regarding the first area, the SERVE report concluded that "South Pointe Elementary . . . was successful in

implementing the best teaching/learning principles as identified from the research literature, and that these principles are now institutionalized into the daily activities of teachers and students." In their review of the SERVE report, the DCPS Office of Educational Accountability (OEA), generally concurred with this finding.

However, the SERVE report's claims for the schools academic success met with disagreement. The report stated that "student gains in reading comprehension were found at all grade levels with an 11 percentile median increase for all grades." It also reported "considerable gains" at all grade levels with a 14 percentile increase for all grades.

The conclusions in this report were criticized on several grounds. For one thing, test score analyses were limited in that disaggregated student data were reportedly not available in time for student change scores to be analyzed. Therefore, the report simply looked at median scores in reading and math by grade for each of the two test administrations (1991-92 and 1992-93). Compounding the difficulties of relying only on this method is the fact that South Pointe suffers from high student turnover.[1]

The evaluation strategy settled upon by the DCPS Office of Educational Accountability was to select a school serving demographically similar students in the same geographic area and to compare the performance of students in South Pointe

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The DCPS Office of Educational Accountability reported that only about half the students taking the test in April 1993 were common to the group taking it in April 1994.

with these students. At the time of our study, data had been analyzed for the first three years of testing at South Pointe. Students were included in the analysis for South Pointe if they had attended South Pointe in 1991-92 and 1992-93, and another DCPS school in 1990-91, the year prior to South Pointe's opening. Students in the comparison school were selected if they had attended the comparison school during the same three year period.

The Office of Educational Accountability concluded that after two years of program participation, South Pointe students did not improve their academic skills beyond what they would have achieved had they attended a regular Dade County public school. While improvement was found, OEA reported the rate of improvement to be similar to that found in the comparison school. However, OEA did report improved attendance at South Pointe relative to the comparison school and a more favorable attitude toward school among children in grades 4-6. They also reported high levels of parent and community involvement and favorable opinions about the educational program (and EAI) from South Pointe Staff.

In spite of the lack of evidence that South Pointe students were out-performing students in the comparison school, many of the people we interviewed, both inside and outside South Pointe Elementary expressed the feeling that the experiment "had worked." Several expressed to us in emphatic terms that regardless of what the test scores showed, they firmly believed children at South Pointe were receiving an improved education. One member of the United Teachers of Dade expressed this

sentiment. When we asked her on what she based such conviction, she replied, "when the bell rings, the kids don't run out the door."

We found none of the fear or distrust of privatization in the DCPS–EAI experience that we found in other sites we visited, probably because of the uniqueness of this situation. For one thing, EAI did not manage the school, but served as a advisor or consultant, as Tesseract was implemented in South Pointe. A second important difference was that EAI's fee came out of funds they raised themselves, not out of school district moneys; so there was not the perception that the company was taking money intended for use in educating children. Finally, EAI was not seen as a threat for "school takeover." EAI had a timetable for diminishing involvement in the school until, at the expiration of the contract, school personnel would be able to function independently in carrying out the instructional model.